LOCAL GOVERNMENT SERVICES DIVISION

Assessment Bulletin

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ASSET NEWS

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ASSET News items marked with ➢ may be of particular interest to a municipality's chief administrative officer.

Contact us:

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➢ 2005 equalized assessments and ASSET reporting requirements

The Equalized Assessment Panel (EAP) Technical Committee and ASSET Steering Committee have recently met and provided recommendations on the next steps that should be taken toward the full implementation of the ASSET

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system. The most recent EAP Technical Committee recommendation (Bulletin No. 04-12) is available in ASSET and also on the Municipal Affairs' Web site at http://www.municipalaffairs.gov.ab.ca/as/asset.

Based on the input received from the committees, Municipal Affairs has made the following decisions:

- It is not yet time to move to the use of current year property assessments for the equalized assessment process. The 2004 ASSET data submissions are being used to prepare each municipality's 2005 equalized assessment. Therefore, for the 2005 tax year, the new January 31 reporting deadline will not be put into effect for the submission of municipal assessments to the province.

- For the 2005 tax year, the deadline for municipalities to submit their 2005 assessment data through the ASSET process will be the legislated assessment roll preparation date of February 28, 2005.

- Each municipality's assessment data will be audited prior to its use for property tax purposes.

The date for declaring assessments, as directed in section 2.5 of the Alberta Assessment Quality Minister's Guidelines, will be extended accordingly from January 31 to February 28 for 2005.

➢ ASSET funding for municipalities

The ASSET Steering Committee has agreed to provide additional funding to municipalities in 2005 to assist with transitional costs. The details have not yet been finalized; however, it is likely the funding formula will be similar to the formula used this year.

➢ Update on 2004 ASSET submissions

As part of the annual audit process, the Assessment Audit Unit of the department's Assessment Services Branch is:

- Checking to see that all annual submissions have been declared;
- Reviewing the indicator-of-value and annual return submissions for loading errors;

- Ensuring that the calculated assessment levels meet the legislative requirements;
- Reviewing audit flags and checking quality standards related to coefficients of dispersion and median assessment ratios;
- Reviewing all indicators of value for appropriate time adjustments;
- Reconciling adjusted sale prices with sale prices; and
- Comparing and reviewing the municipality's indicator of value records with Alberta Land Titles records.

In addition, the Education Tax and Equalized Assessment Unit is conducting a review of the 2004 assessment submissions. For example, the unit is:

- Comparing assessment summary data from ASSET with prior year data from the municipality;
- Comparing assessment summary data with the assessments reported on municipal tax rate bylaws; and
- Checking the application of the tax liability codes.

As in past years, when discrepancies are identified, the Assessment Services Branch is contacting municipalities to determine if any further action is needed.

2004 revision submissions

Past issues of *ASSET News*

ASSET News bulletin 04-08 contains information on declaring a municipality's annual return data.

ASSET News bulletin 04-10 contains information on making revision submissions.

After your municipality's assessor has declared the annual return submission, any subsequent revisions to the assessment roll also need to be submitted to ASSET. For each revision submission, the appointed assessor must submit an Assessment Revision Declaration.

These revisions may include changes made by the assessor to the assessment roll in accordance with section 305 of the Municipal Government Act, or changes made as a result of decisions by the municipality's assessment review board or the Municipal Government Board.

Details on making and declaring a revision submission are described in the *Reporting and Recording Information for Assessment Audit and Equalized Assessment Manual*. *ASSET News* Bulletin 04-10 also contains information about revision submissions.

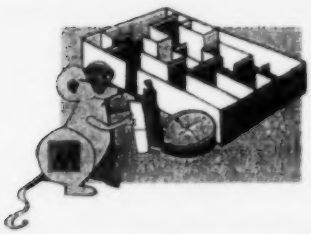
Actual use codes

At its meeting on September 3, 2004, the EAP Technical Committee confirmed that for the 2005 ASSET submissions, the actual use codes are to be provided along with the detailed codes in four levels.

The committee also approved revisions to the actual use codes, which are available on the department's Web site at http://www.municipalaffairs.gov.ab.ca/as/xls/AUCTechcom_8a.xls. This table replaces Table 8 in the *Recording and Reporting Information for Assessment Audit and Equalized Assessment Manual.*

The update is also available in the ASSET News section of the ASSET system. (Under the ASSET News heading, select "click here to access the ASSET information area." Then select the EAP Technical Committee Recommendations. The actual use code revisions are contained in Item 4 – Updated Actual Use Codes – September 2004.)

Matters Relating to Assessment and Taxation (MRAT) regulation



The Matters Relating to Assessment and Taxation (MRAT) regulation has an expiry date of November 30, 2004. The regulation is being re-enacted and will be effective from December 1, 2004, through to September 30, 2009.

MRAT sets out the responsibilities of municipalities with regard to assessment quality standards, recording and reporting requirements, and the timelines for reporting and declaring annual assessment data to the province for equalized assessment purposes.

Thank you

In the past year, considerable progress has been made on the ASSET system. Brad Pickering, Deputy Minister of Municipal Affairs, wishes to express his appreciation of the efforts of all municipal administrators, property tax clerks, assessors, system-providers and others who have played a role in the transition to ASSET.